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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In Re:

PG&E CORPORATION

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

Bankruptcy Case No. 19 - 30088 (DM)

Chapter 11

(Lead Case)

(Jointly Administered)

**DECLARATION OF PETER RIETKERK IN
SUPPORT OF SOUTH SAN JOAQUIN
IRRIGATION DISTRICT'S MOTION FOR
RELIEF FROM THE AUTOMATIC STAY
TO PERMIT PROCEEDINGS IN NON-
BANKRUPTCY FORUM TO CONTINUE**

Affects PG&E Corporation
Affects Pacific Gas and Electric Company
☒ Affects both Debtors

**All papers shall be filed in the Lead Case,
No. 19-30088 (DM).*

Judge: Hon. Dennis Montali

Date: March 25, 2020

Time: 10:00 a.m.

Place: United States Bankruptcy Court
450 Golden Gate Ave., 16th Flr, Crt. 17
San Francisco, CA 94102

Objection Deadline:

March 20, 2020 at 4:00 p.m. (PT)

I, Peter M. Rietkerk, declare as follows:

1. I am the General Manager for the South San Joaquin Irrigation District,
headquartered in Manteca, California. I make this declaration in support of the Motion Of

1 South San Joaquin Irrigation District For Relief From The Automatic Stay To Permit
2 Proceedings In Non-Bankruptcy Forum To Continue (“Motion”).

3 2. The South San Joaquin Irrigation District (the “District”) was established over a
4 hundred years ago in 1909. It provides agricultural irrigation water to about 56,000 acres and
5 wholesale drinking water to more than 193,000 residents. It has developed its own diversion
6 works, dams, storage reservoirs and hydroelectric generating facilities and holds rights to 72.5
7 mega-watts of electric generation capacity.

8 3. Since 2004, the District has pursued its retail electric project to provide safe and
9 reliable retail electric service in a transparent, responsible and accountable manner at a 15% cost
10 savings over PG&E to the approximately 40,000 electrical customers in and around the
11 communities of Manteca, Escalon, and Ripon.

12 4. In December 2014 the District obtained the approval of the San Joaquin Local
13 Agency Formation Commission to a change of organization to provide retail electric service
14 within its service territory after a lengthy and extensive application process, lasting almost 10,
15 years.

16 5. To commence the eminent domain action to acquire PG&E’s electric distribution
17 system the District was required by State law to have a public hearing and adopt a resolution of
18 necessity. In order to adopt the resolution of necessity, the District’s Board must make required
19 statutory and state constitutional findings. *See* Resolution No. 16-05-E (“Resolution of
20 Necessity”), a true and correct copy of which is attached as Exhibit 9 to the District’s Request
21 for Judicial Notice (“RJN”), which is being filed in support of the Motion. The District’s Board
22 in adopting the resolution of necessity found and determined that:

- 23 a) The public interest and necessity require the Project.
- 24 b) The Project is planned and located in the manner that will be most compatible
25 with the greatest public good and the least private injury.
- 26 c) The Property sought to be acquired is necessary for the Project.
- 27 d) The use of the Property by the District for the Project is a more necessary
28 public use than the use to which the Property is already appropriated.

1 *See* Resolution of Necessity at p. 3.

2 6. The Board's findings of the public benefits and necessity of its retail project were
3 supported by the evidence and the District's staff report. See the Resolution of Necessity and
4 the Staff Report, a true and correct copy of excerpts of which are Exhibit 10 to the RJN ("Staff
5 Report"). The Staff Report addresses the public good and benefits resulting from the electric
6 project. The benefits are wide ranging, including local control and accountability to customers
7 through a nonprofit, locally elected board, transparency of operation and practices, reduced
8 electric rates projected to be a discount of 15% from PG&E's rates, improving and stimulating
9 the local economy through reduced rates. *See* the Staff Report at pp. 7-10.

10 7. In 2016, the District had serious concerns about PG&E's safety and maintenance
11 records and practices as a utility as set forth in the Staff Report:

12 The ongoing saga of regulatory, civil, and even criminal proceedings alleging
13 PG&E's failure to comply with state and federal operating and record retention
14 requirements, and correspondingly to appropriately test and otherwise maintain
15 critical facilities, raises serious questions about PG&E's commitment to provide
16 the minimum level of service and the highest and safest level of service to electric
17 customers. Coordinating the maintenance of the requisite levels of safety and
18 reliability with the imperative need to control costs and minimize rates creates an
19 inherent conflict of interest within PG&E management. In contrast, SSJID's
20 Proposed Project removes such conflict of interest. The SSJID Board will have no
21 responsibilities to its constituency that are in conflict and competition with any
22 fiduciary obligations to investors. SSJID's only obligation is to provide its
23 customers the highest level of safety and reliability and at a cost-effective price.

24 Staff Report at p. 66.

25 8. Regarding the detriment to the District and its residents if the stay remains in
26 effect and the District is unable to proceed with the condemnation and its project, the District
27 has expended considerable time, money and effort on the project both on regulatory approvals
28 and the engineering and designing of the two independent electrical distribution systems and

1 has already suffered too many delays due to PG&E's actions and numerous challenges.
2 Continuing the stay would deny to our community the public benefits of this retail electric
3 project which include stimulating the local economy and providing safe and reliable electric
4 service at reduced rates and local control of the electric system.

5 I declare under a penalty under the laws of the State of California that the foregoing is
6 true and correct.

7 Executed on March 4, 2020 in Manteca, California.

8 

9 _____
Peter Rietkerk